

Bank. Weekly reports are required, and upon the amount by which the aggregate circulation exceeds the sum of the metallic reserve and the uncovered circulation of 200,000,000 florins, a tax is levied of  $\frac{1}{100}$  of one per cent, for the weekly excess. The notes of the Austro-Hungarian Bank are a legal tender throughout the Empire for their full nominal value in all payments to be made in Austrian money, in the absence of a specific contract or a judicial decision requiring payment in specie.<sup>1</sup>

Political conflicts between Austria and Hungary embarrassed the bank and delayed the complete restoration of specie payments which was undertaken in 1892. It was only by temporary conventions that the life of the bank was extended from 1897 to 1899 and even the extension of the charter in the latter year to 1910 was limited by the proviso that if the union between the two countries should terminate at the close of 1906, the privilege of the bank should terminate also.<sup>2</sup> A more distinctly political character was given to the organization of the bank by the enlargement of the power of the governor, the provision that the general council should be composed of equal numbers of Austrian and Hungarian subjects, and the requirement that the sessions of the council should take place alternately at Vienna and at Buda-Pesth. Even this arrangement, coupled with many new restrictions upon the bank, was threatened for a time by the refusal of the Commission on the Debt to pay over to the bank the amounts contemplated by the agreement for the retirement of the government paper money, but the danger was averted by a change of ministry.<sup>3</sup> The payment was made by the Witteck ministry and the arrangement went into force.

The essential steps towards the resumption of specie payments in Austria-Hungary were taken by the monetary laws of 1892. The ministers of finance of the two parts of the

<sup>1</sup> Noel, I., 458.

<sup>2</sup> *Economise Europeen*, June 23, 1899, XV., 794.

<sup>3</sup> Raffalovich, *Le Marché Financier en 1899*, 556.